

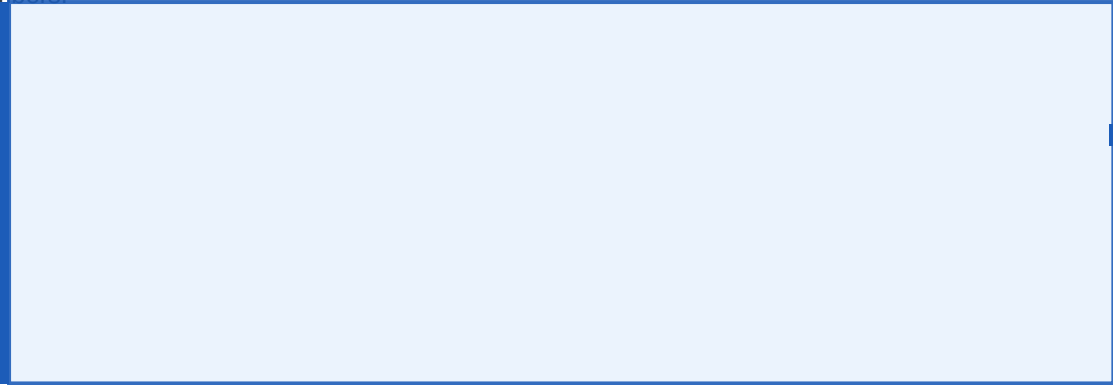
Section DIRECTORS - Sample Provision Excerpt (Public Preview)

DIRECTORS

QUALIFICATION AND NUMBER. All directors shall be residents of the State of New York. All directors shall be at least 18 years of age and shall be resident Shareholders. Not more than one (1) shareholder of each apartment may serve as a director of the Corporation.

The number of directors shall not be less than five and not more than nine. The first board shall consist of nine (9) members

ISSUE #1



MARKUP #1 ->



MARKUP #1 · MISSING MANDATORY STATUTORY PROVISION

BOARD & COUNSEL REVIEW

Sec. DIRECTORS (p. 3): Governing documents omit mandatory New York procedures for weekday examination of chronological receipts/expenditures and payment vouchers and delivery of an annual financial report.

Statutory / Legal Reference: N.Y. Bus. Corp. Law § 624(e)

Statutory Comparison: Under N.Y. Bus. Corp. Law § 624(e), the Board or managing agent must keep detailed, accurate records in chronological order of the receipts and expenditures arising from the operation of the property, make such records and authorizing vouchers available for examination by any owner/shareholder at convenient hours of weekdays, and render a written annual report summarizing all receipts and expenditures.

CURRENT WORDING IN DOCUMENT:

DIRECTORS QUALIFICATION AND NUMBER. All directors shall be residents of the State of New York. All directors shall be at least 18 years of age and shall be resident Shareholders. Not more than one (1) shareholder of each apartment may serve as a director of the Corporation. The number of directors shall not be less than five and not more than nine. The first board shall consist of nine (9) members.

SAMPLE DISCUSSION WORDING (FOR HOA ATTORNEY REVIEW):

Pursuant to N.Y. Bus. Corp. Law § 624(e), the Board and Managing Agent shall keep detailed, accurate records in chronological order of the receipts and expenditures arising from the operation of the Property. Such records and the vouchers authorizing payments shall be available for examination by any Unit Owner, Shareholder, or Member at convenient hours of weekdays, and a written report summarizing all receipts and expenditures shall be rendered to all Owners at least once a year.